TENNESSEE REGULATORY AUTHORITY

Sara Kyle, Chairman Deborah Taylor Tate, Director Pat Miller, Director Ron Jones, Director



460 James Robertson Parkway Nashville, Tennessee 37243-0505

April 15, 2003

D. Billye Sanders, Esq.Waller Lansden Dortch & Davis511 Union Street, Suite 2100Nashville, Tennessee 37219-8966

RE: Docket No. 03-00259

Dear Ms. Sanders:

A Joint Petition ("Petition") of Digital Teleport, Inc. ("DTI") and CenturyTel Fiber Company II, LLC ("CTF II") for Approval of the Assignment of Assets and authorization to Provide Telecommunications Service was filed on April 8, 2003. The Petition states that CenturyTel Fiber is a wholly owned subsidiary of CenturyTel, Inc. In order to complete the processing of the Petition, the Tennessee Regulatory Authority requests the following information regarding this application for a certificate to provide competing local telecommunications services within the State of Tennessee pursuant to TCA § 65-4-201.

- 1. Why is CenturyTel, Inc. establishing a separate entity in Tennessee for the provisioning of telecommunications services?
- 2. Will the Applicant share officers, management, employees, accounting functions, operational functions, etc. with any of CenturyTel's affiliated entities in Tennessee? If so, please provide a copy of a cost allocation manual and procedures that will be used to prevent cross subsidization between the Tennessee affiliates.
- 3. Will CTF II provide service in the territories of Century Telephone of Adamsville, Century Telephone of Claiborne and Century Telephone of Ooltewah-Collegedale, Inc.?
- 4. For ratemaking purposes, will the profits generated by CTF II be imputed into the operations of Century Telephone of Adamsville, Century Telephone of Claiborne and Century Telephone of Ooltewah-Collegedale, Inc.?

5. Provide facts and relevant information to demonstrate that this application meets the requirements of 47 CFR 64.1903.

7. TCA §65-4-125 amendment states that by September 1, 2000, all telecommunications service providers subject to the control and jurisdiction of the Authority, except those owners or operators of public telephone service who pay annual inspection and supervision fees pursuant to Tennessee Code Annotated, §65-4-301(b), or any telecommunications service provider that owns and operates equipment facilities in Tennessee with a value of more that five million

(\$5,000,000), shall file with the Authority a corporate surety bond or irrevocable letter of credit in the amount of twenty thousand dollars (\$20,000) to secure the payment of any monetary sanction imposed in any enforcement proceeding, brought under this title or the Consumer Telemarketing Protection Act of 1990, by or on behalf of the Authority. Will CTF II's equipment or facilities in Tennessee be in excess of \$5,000,000? If not, please provide a corporate surety bond or irrevocable letter of credit in the amount of twenty thousand dollars (\$20,000).

Please submit the requested information by April 21, 2003. If you have any questions, please contact Patsy Fulton at 615-741-2904 ext. 193.

Sincerely,

Joe Werner

Chief of Telecommunications

Cc: Docket File Rosie Gregory